

to purchasing the STP port¹³ for \$1001.40 per month and purchasing dedicated transport for the link.¹⁴

58. Establishing rate elements for every cross-connect that exists within SWBT's network is totally unnecessary. While some cross-connects are offered under the SGAT at no charge, in other cases SWBT is using this tactic to extort non-cost-based prices from CLECs. SWBT does not want CLECs to purchase unbundled elements and intends to price the elements in such a way that facilities-based competition never develops. Finally, the FCC clearly addressed this issue: "[w]e conclude that the obligation to provide 'nondiscriminatory access to network elements on an unbundled basis' refers to both the physical or logical connection to the element and the element itself."¹⁵ The physical connection of the cross-connect should be included with the element itself in all cases.

V. COMPETITIVE CHECKLIST ITEM -- LOCAL SWITCHING

59. SWBT has not provided access to unbundled local switching, as required under item (vi) of the competitive checklist, under either the SWBT Oklahoma interconnection agreements or the SGAT. Specifically, SWBT has not provided access to DS1 trunk ports, though these ports are trunk-side facilities within the FCC's definition of local switching. 47 C.F.R. § 51.319(c)(1)(I)(B). Further, SWBT has not demonstrated that it will provide technically feasible customized routing from its local switches to CLEC operator services/directory assistance platforms or as otherwise designated by CLEC.

¹³ *Id.*

¹⁴ *Id.* at Appendix 997, § IV.B.1.

¹⁵ FCC Order, ¶ 312.

60. The SWBT/Sprint agreement fails to provide access to DS1 trunk ports. Section 5.3.1.3 of Attachment 6 in that agreement defines DS1 trunk ports as one of the "interfaces to loops" that it will provide. However, the UNE pricing schedule offers prices for four types of switch ports, but does not include a DS1 trunk port or a price for that item. Sprint Agreement, Attachment 6, Appendix Pricing-UNE at 48-49. The same situation exists in the AT&T/SWBT interconnection agreement in Texas. AT&T's understanding in Texas is that SWBT will not provide unbundled DS1 trunk ports to AT&T under the agreement until the parties reach agreement on a price for that type of port. It thus appears that in Oklahoma, SWBT has not offered access to DS1 trunk ports, at least pending establishment of a price at some indefinite future time, under the Sprint agreement.

61. SWBT has roundly criticized AT&T for including items in the Texas interconnection agreement that do not have corresponding explicit prices in that agreement's UNE price schedule, citing the DS1 trunk port as an example. AT&T and SWBT have been in face-to-face contract negotiations for Oklahoma now for over a month. At the outset of those negotiations, AT&T requested a complete schedule of prices as SWBT would propose them, including prices for any elements that SWBT felt had not been covered by the Texas pricing schedule. AT&T expressly requested DS1 trunk port pricing. As of March 7, SWBT still has not offered AT&T a price for DS1 trunk ports, in Oklahoma or anywhere else.

62. The SWBT SGAT also fails to provide access to DS1 trunk ports. Section 6.0. APENDIX UNE, defines the switch ports that are offered by SWBT under the SGAT. The list of trunk ports does not include DS1 trunk ports, despite the fact that DS1 trunk ports are present in SWBT digital switches and the fact that DS1 trunk ports may be attractive to CLECs assembling networks by use of UNEs. The omission of DS1 trunk ports is not an academic

matter. In fact, Section 17.2 of APPENDIX UNE in the SGAT recognizes that a CLEC which orders customized routing from a SWBT local switch will have to pay "recurring monthly charges for the number of DS1 Trunk Ports required to accommodate CLEC's dedicated custom route." However, the SGAT terms surrounding local switching (APPENDIX UNE, § 6.0) do not include DS1 trunk ports in the elements to be offered by SWBT, and the SGAT pricing schedule lists charges for four types of ports but does not include a charge for a DS1 trunk port. By failing to offer a switching facility that is common in digital switches today and is needed for customized routing, SWBT's SGAT fails to provide the access to unbundled local switching required under checklist item (vi).

63. Unbundling its local switching capability under the FTA also requires an incumbent LEC to provide all "technically feasible customized routing functions provided by the switch." 47 C.F.R. § 51.319(c)(1)(I)(C)(2). The FCC concluded that customized routing, "which permits requesting carriers to designate the particular outgoing trunks that will carry certain classes of traffic originating from the competing provider's customers, is technically feasible in many LEC switches." FCC Order, ¶ 418. The burden is on the incumbent LEC to prove to a state commission that customized routing in a particular switch is not technically feasible. *Id.* The AT&T Arbitration Order in Oklahoma also requires customized routing where technically feasible. Arbitration Order at 32.

64. Both the Oklahoma Sprint interconnection agreement and the SGAT contain provisions that offer customized routing. Sprint Agreement, Attachment 6, §§ 5.2.3.1 - 5.2.3.3; SGAT, APPENDIX UNE, § 5.4. (The SGAT appears to offer customized routing only for routing to a CLEC's OS/DA platforms.) However, AT&T's experience attempting to implement similar provisions in Texas and its current Oklahoma negotiations with SWBT, leads to the

conclusion that customized routing is an area in which implementation is particularly important in order to determine whether the incumbent LEC actually will provide the required access to local switching capability. The words of the Sprint agreement and the SGAT are not sufficient to demonstrate the availability of customized routing.

65. The AT&T/SWBT Texas interconnection agreement requires SWBT to provide customized routing on SWBT switches with existing capabilities and capacity starting March 1, 1997 and to be completed on all such switches by June 30, 1997. A number of problems that have arisen in implementation discussions for customized routing, problems that should not be matters of technical feasibility, lead AT&T to believe that those dates are in jeopardy. SWBT has chosen the least desirable method for providing customized routing -- using line class codes. This method is inherently difficult to administer, and it is limited by switch technology.

66. The Texas interconnection agreement does not identify a separate price for customized routing arrangements. SWBT nevertheless asserts that it should be able to charge separately for customized routing. (SWBT's position here is not universal. BellSouth, for example, has agreed that customized routing will be provided as part of local switching, at no added charge.) At the same time, SWBT advises that the routing arrangements are in such a developmental stage that no pricing for them is available at present. Accordingly, despite a contract that expressly provides for customized routing by dates certain, AT&T does not know when customized routing will in fact be available or what it will cost.

67. SWBT's Brooks and USLD agreements do not provide for customized routing. See APPENDIX UNC. The Sprint interconnection agreement and the SGAT appear to offer customized routing, but do not contain the schedule commitments provided in the AT&T/SWBT Texas agreement. Pricing for customized routing is identified only as on an "individual case

basis." Sprint Agreement, Attachment 6, §§ 5.2.3.2, 5.2.3.3.2; SGAT. APPENDIX PRICING Schedule at 2. These terms offer no indication of the timing or expense of access to customized routing in Oklahoma. The Sprint agreement contains an additional provision that appears to offer more definition for customized routing charges but is itself misleading.

68. The Sprint Agreement, at § 13.8.3 of Attachment 6: UNE states, "SWBT will charge Sprint for Customized Routing in accordance with the final and effective SWBT/AT&T arbitrated agreement or the SWBT generic cost docket." However, in current Oklahoma contract negotiations between AT&T and SWBT, SWBT has taken the position that pricing for customized routing was *outside* the scope of the arbitration and *will not* be determined in the cost docket. While AT&T disagrees, SWBT's position demonstrates that, so far as SWBT is concerned, there now will be no definition to customized routing pricing coming out of the proceedings referred to in the Sprint agreement.

69. Notwithstanding these uncertainties, AT&T expects to pursue a real test of customized routing implementation after it has an effective interconnection agreement with SWBT for Oklahoma. Until such implementation, whether by AT&T or others, the Sprint agreement and the SGAT do not provide the basis for concluding that SWBT has satisfied item (vi) of the competitive checklist, requiring it to provide access to unbundled local switching capability, including customized routing. See Exhibit RVF/SET-1 for a complete set of local switching requirements as defined by the FTA.

VI. COLLOCATION FOR INTERCONNECTION AND UNE ACCESS

70. One of the ways in which SWBT must provide the interconnection and access to unbundled network elements that is necessary to meet the competitive checklist is through collocation. FTA § 251(c)(6). Collocation is central to the CLEC's ability to access unbundled

elements or interconnect with the incumbent LEC's network. CLECs will not make collocation decisions lightly or in isolation. The CLEC's decision to collocate in a LEC central office generally means making an investment measured in millions of dollars. See Exhibit. Indeed, the cost for collocation can be a significant determinant in the financial viability of a small CLEC at start-up. Additionally, construction intervals for outside plant facilities are integrally linked with and dependent upon the completion of the collocation. Clear descriptions of what SWBT intends to provide and dependable schedules for completion of collocation are critical.

A. SWBT's Collocation Pricing and Schedule Are Too Uncertain To Support Competition.

71. Against this backdrop, the physical collocation provisions of SWBT's interconnection agreements within Oklahoma are unacceptable. In the existing interconnection agreements, the extent of the language on physical collocation is as follows, "SWBT will provide to Brooks, at Brooks' request, physical collocation under the same terms and conditions available to similarly situated carriers at the time of such request."¹⁶ The Sprint Interconnection Agreement is similarly vague.¹⁷ The SGAT is intended to outline those terms and conditions that are generally available for interconnection including physical collocation. The SGAT notes on physical collocation: "SWBT will provide to CLEC at CLEC's request, physical collocation under the same terms and conditions available to similarly situated carriers at the time of such request and in a manner consistent with Commission Cause No. PUD 960000218."¹⁸ All of the available interconnection agreements are clearly lacking in this important area of interconnection.

¹⁶ Brooks Fiber Communications/SWBT Agreement, § II.B.3.

¹⁷ Sprint/SWBT Agreements Attachment NIM § 6 states, "SWBT will provide Physical Collocation Interconnection on nondiscriminatory terms and conditions at the time Sprint requests such interconnection."

¹⁸ SGAT, § II.B.2.

Although the Commission has ruled in Commission Cause No. PUD 960000218 and has provided for case-by-case pricing, no contract language yet exists that would define how SWBT will provide physical collocation in Oklahoma. In summary, none of the interconnection agreements in Oklahoma including the SGAT meet the competitive checklist item for interconnection.¹⁹

72. Even once Commission Cause No. PUD 960000218, the Arbitration case between AT&T and SWBT, is converted into contract language, there may still be major holes in the way physical collocation is administered in Oklahoma. Those holes will remain until SWBT takes several steps that have not been taken to date. First, SWBT must make a firm commitment on the timing of SWBT's response to a CLEC's request for physical collocation. Second, SWBT must make a commitment on the length of time it will take to prepare the collocation cage for telecommunications equipment. Third, SWBT needs to provide some reasonable parameters for estimating what the non-recurring costs for physical collocation will be. Finally, SWBT should provide some firm commitments as to the monthly cost for the collocated space. The Arbitration between AT&T and SWBT settled whether and where physical collocation would take place. However, all of the critical issues for making investment decisions in local markets were left up to an individual case basis approach. See Exhibit RVF/SET-2.

73. The end result at present is that the new entrant is expected to make a significant capital investment in a market not knowing when that capital can be put to use, how much it will cost to put the capital in place, or even whether the space will be available to invest the capital. The open ended nature of SWBT's commitment to the physical collocater creates a planning environment that is essentially unworkable. Finally, more than one CLEC has experienced

¹⁹ FTA § 271(c)(2)(B)(i).

months of delays in working through the collocation process with SWBT. Brooks in its response to the Data Requests propounded by the staff of the Kansas Corporation Commission on facilities-based competition wrote:

The one area in which Brooks does have some experience regarding interconnection implementation issues related to its Kansas network is in the area of collocation, since Brooks submitted (and SWBT accepted for processing) applications for physical collocations at various SWBT central offices in the Kansas City area prior to execution of the Kansas Interconnection Agreement. While deployment of those collocations is still in progress, Brooks can state generally that there are significant differences in opinion between Brooks and SWBT concerning the reasonableness of the collocations prices quoted by SWBT, and regarding the processing time frames associated with making collocation spaces available. Brooks believes that the collocation prices are excessive and that the time frames required by SWBT to process Brooks' collocation applications have been unreasonably long.²⁰

AT&T, when it finally received its quotes from SWBT for collocation in Dallas, was asked to pay on average \$500,000 per 400 square foot collocation cage. The problems associated with SWBT's vague implementation of physical collocation are real and will significantly inhibit the development of facilities-based competition in Oklahoma.

VII. COMPETITIVE CHECKLIST ITEM -- INTERCONNECTION

74. The very first item that an incumbent LEC must satisfy to meet the Section 271 competitive checklist is to provide "interconnection in accordance with the requirements of section 251(c)(2) and 252(d)(1)." FTA Section 271(c)(2)(B)(i). Under Section 251(c)(2), interconnection must be provided for transmission and routing of telephone exchange service and exchange access. Interconnection must be provided at any technically feasible point within the incumbent LEC's network, must be at least equal in quality to what the incumbent LEC provides

²⁰ Response of Brooks Communications of Missouri, Inc. to KCC Staff Data Requests, Docket No. 97-SWBT-411-GIT, Question J.

to itself, and must be provided on rates, terms and conditions that are just, reasonable and nondiscriminatory.

75. Interconnection is central to facilities-based competition because it establishes how CLECs will exchange traffic with the incumbent LEC. A critical concern here is that SWBT not be allowed to establish discriminatory practices in its dealings with new entrants in the provisioning of interconnection. Unfortunately, concerns that SWBT's provision of interconnection might undercut a new entrant's ability to compete effectively are confirmed by SWBT's imposition of restrictions in at least the following three areas:

- types of interconnection trunks;
- types of traffic that can be placed on trunks; and
- offices SWBT will allow CLECs to interconnect.

Restrictions in each of these areas inhibit the new entrant's ability to compete effectively in local telecommunications markets in Oklahoma.

A. SWBT Restricts the Type of Trunks That Can Be Used to Interconnect to its Network.

76. SWBT imposes a restriction on the type of trunks that can be used to interconnect to its network. SWBT will only allow one-way trunks for interconnection to its tandems and end offices for the exchange of local and intraLATA traffic.²¹ Two-way trunks operating bi-directionally are technically feasible for interconnection with SWBT. Additionally, the arbitrated and approved Texas interconnection agreement between SWBT and AT&T provides for two-way

²¹ SGAT, Appendix ITR, § A.1.

trunk groups that will be used two-way.²² Moreover, AT&T and SWBT have existing access trunking that utilizes bidirectional two-way trunk groups in Oklahoma.

77. SWBT's position on two-way trunking causes direct competitive harm to new entrants. As the FCC has observed: "Refusing to provide two-way trunking would raise costs for new entrants and create a barrier to entry."²³

B. SWBT Restricts the Type of Traffic That Can Be Combined on the Trunk Groups Connecting to its End Offices.

78. In addition to restricting the type of trunk groups CLECs can use, SWBT creates restrictions on the type of traffic that can be placed on the trunk groups connecting to its end offices. According to the SGAT, intraLATA traffic can only be transported to the SWBT Access Tandem.²⁴ Once again, this restriction is not justifiable because of any legitimate issue of technical feasibility. And, once again, the restriction alters the economics of market entry by increasing costs to new entrants. In the Texas Interconnection Agreement, AT&T and SWBT agreed that "[i]ntraLATA toll traffic may be combined with local traffic on the same trunk group when AT&T routes traffic to either a SWBT access tandem which serves as a combined local and toll tandem or directly to a SWBT end office."²⁵

²² SWBT/AT&T Texas, Agreement NIA, App. ITR, § 2.1. The language in the contract allowing for two-way trunk groups to be used as two-way is accompanied by the condition of "(w)hen mutually agreed upon traffic data exchange methods are implemented as specified in Section 5.0 of this Appendix." Section 5.0 requires that AT&T and SWBT meet specific blocking criteria and to service trunk groups in a timely manner when the blocking criteria is not being met. AT&T and SWBT already have this type of agreement in place for access trunking and have agreed in Texas to extend this to local trunks. The technical feasibility of two-way trunking used for two-way traffic interconnection is not an issue.

²³ FCC Order, § 220.

²⁴ SGAT, Appendix ITR § A.1.

²⁵ Texas Interconnection Agreement, Attachment NIA, Appendix ITR ¶ 2.1.1.

79. Further, Sprint was able, in its Oklahoma Interconnection Agreement with SWBT, to gain agreement on the ability to combine interLATA toll traffic and local traffic on the same trunk groups.²⁶ In fact, the Sprint Agreement includes the following language: "[w]ithin one year of this Agreement, SWBT will allow and use combined local/intraLATA/interLATA trunk groups."²⁷ No technical issues prevent SWBT from offering combined trunk usage generally to CLECs.

80. These first two restrictions unnecessarily increase the amount of trunking required between SWBT and CLECs and increase the associated cost. Further, SWBT's requirement that all intraLATA traffic pass through its access tandem is merely an attempt to exact additional compensation (or access) from the CLEC. In other words, requiring the intraLATA traffic to pass through the access tandem creates an opportunity to add on another unnecessary rate element to the cost of competition.

C. SWBT Restricts the CLEC From Being Allowed to Efficiently Select the Appropriate SWBT End Offices for Interconnection.

81. SWBT has imposed another restriction on CLECs that directly affects the efficiency of the CLEC's local network. When a CLEC enters a new market, there will be a set of end offices that the CLEC will choose to serve through its own facilities. To accomplish its market entry, the CLEC will apply for collocation in these end offices to access unbundled elements and provide for interconnection to the SWBT end office switch. However, in an attempt to thwart the efficient network design choice of the CLEC, SWBT has imposed the following barrier in the SGAT, "[i]n each SWBT exchange area in which CLEC chooses to offer local exchange service, CLEC, at a minimum, will interconnect its network facilities . . .

²⁶ Sprint/SWBT Oklahoma, Appendix ITR, § 2.1.1.

²⁷ *Id.* at § 2.2.

(b) to either each SWBT local tandem(s) or each SWBT end office(s) subtending that local tandem(s)."²⁸ SWBT designed its network architecture of end offices and local tandems to conform to the traffic patters it wanted to manage within its network. The CLEC should be afforded the same opportunity.

82. Direct trunking is the CLEC's preferred choice for interconnection when there is sufficient traffic to justify the investment in facilities, terminal equipment, and trunk terminations in the switch. However, the CLEC may not need to exchange this quantity of traffic with every end office that is behind the SWBT local tandem. Most likely, the CLEC will only have the required traffic volume for direct trunking to the same end offices in which the CLEC is collocated.

83. This restriction does not appear in the Sprint Agreement. This restriction does appear in the Brooks Agreement.²⁹ Roger K. Toppins and Amy R. Wagner in their Application of SWBT for Approval of the SGAT claim that "new competitors may quickly enter into interconnection agreements based on the STC SGAT with the confidence that they are obtaining the most favorable terms and conditions that have been approved by the Commission for other companies."³⁰ This may be technically correct at the moment given that the Sprint Interconnection Agreement has not yet been approved. However, the statement is clearly gratuitous. No rational CLEC would adopt the SGAT with superior interconnection agreements in Oklahoma publicly available.

²⁸ SGAT, § II.A.1.a.

²⁹ Brooks/SWBT Agreement, § II.A.1.a.

³⁰ Application of Southwestern Bell Telephone Company for Approval of a Statement of Generally Available Terms and Conditions under the Telecommunications Act of 1996, filed in Oklahoma, PUD 970000064. ¶ 5.

84. These trunking restrictions raise financial impediments to the development of competition. SWBT is attempting to impose a scheme through the SGAT that requires the CLEC either to make the not-cost-justified decision to build direct trunking to unnecessary end offices or to pay SWBT additional unnecessary compensation through the tandem switching and tandem transport rate elements.³¹ The FCC was aware of these concerns when it wrote:

Given that the incumbent LEC will be providing interconnection to its competitors pursuant to the purpose of the 1996 Act, the LEC has the incentive to discriminate against its competitors by providing them less favorable terms and conditions of interconnection than it provides itself. Permitting such circumstances is inconsistent with the procompetitive purpose of the Act.³²

SWBT has the opportunity to engineer its trunking in the way that is most efficient for it. The CLECs are afforded this same right by the FTA.³³ The SGAT should, therefore, provide nondiscriminatory interconnection opportunities to CLECs as afforded to itself and to those firms who have negotiated interconnection agreements with SWBT.

VIII. COMPETITIVE CHECKLIST ITEM -- LOCAL LOOP TRANSMISSION

85. The competitive checklist also requires SWBT to provide access and interconnection to "local loop transmission from the central office to the customer's premises, unbundled from local switching or other services." FTA, § 271(c)(2)(B)(iv). SWBT's Oklahoma offerings fail this test.

³¹ Section IIIA of the SGAT and the subsequent subparagraphs outline the rate elements SWBT intends to charge for a tandem terminated local call.

³² FCC Order, ¶ 218.

³³ FTA, § 251(c)(2)(D).

A. SWBT Fails to Fully Unbundle the Local Loop Itself as Required by the FTA.

86. SWBT has not fully unbundled the local loop. SWBT has reserved the right, where other facilities do not exist, to restrict access to those unbundled loops that are behind Integrated Digital Loop Carrier (IDLC).³⁴ IDLC is a technology that enables the telecommunications carrier to concentrate more loops onto the same number of physical paths by taking advantage of a "switching" functionality within the IDLC. Essentially, a loop that is "seized" becomes a time slot on the facility side of the IDLC rather than a physical path. While this technology presents cost saving opportunities to the incumbent ILD, it also provides a convenient way to make an ever increasing number of loops inaccessible to the CLEC. This problem could be mitigated by SWBT providing subloop unbundling. However, SWBT has not made this available in any of its facilities-based interconnection agreements.

87. The customer service implications of this incomplete unbundling of the SWBT local loop are troubling. The facilities-based CLEC can "win" the customer on Friday and on Tuesday learn from SWBT that the CLEC will not be able to access the unbundled loop.³⁵ The CLEC will then have to convey to the customer its inability to meet his or her request for service, leaving the customer with no alternative for local service. See Exhibit RVF-SET 3.

B. SWBT Imposes operational and financial barriers on CLECs by requiring that all local loops be treated from a provisioning standpoint as a disconnect and reconnect.

88. The final concern with the unbundled local loop is that SWBT intends to treat all loop provisioning, regardless of the specific physical requirements involved, as a disconnect of

³⁴ *Id.* APPENDIX UNE, § 4.4.

³⁵ SGAT, Appendix UNE § 4.4 explains that there will be a two day exploration period by SWBT to determine if there is an alternate method for providing physical access to the unbundled loop.

the existing loop and a new connect of the unbundled network element.³⁶ Most loops that move from the incumbent LEC to the CLEC will require no physical rearrangements. The loop will go unchanged from the NID to the Master Distribution Frame (MDF). At the MDF, the loop would need to be cross-connected to the CLEC's collocation. In the case of serving an unbundled loop from the unbundled local switch, there should again be no change to the facilities. Even a cross-connect change is not needed. Because of these realities, SWBT has no legitimate reason to treat all unbundled loop provisioning as a disconnect and a reconnect, the effect of which is to add unnecessary, non-recurring cost to the purchase price of the unbundled loop. Additionally, it creates multiple opportunities for SWBT to discriminate against the CLEC. For example, Brooks in Michigan has found that when Ameritech provisions the unbundled loop, it is a different loop than was in service prior to Brooks winning the customer. This newly provisioned loop is therefore not properly cross-connected in the NID to the correct inside wiring for the customer. Consequently, the customer is without service and Brooks' first exposure to a new customer is negative. The disconnect and reconnect barrier to entry is unnecessary and discriminatory towards the new entrant.

89. Notably, in the Sprint Agreement, SWBT does not impose this additional operational and financial impediment. The Sprint Agreement states:

For customer migration from SWBT to Sprint which involves a disconnect of the existing service and coordinated (as mutually defined by the Parties) installation, orders on an element by element basis or elements in combination must be placed by Sprint. SWBT will not physically disconnect intentionally the elements that are currently connected at the time the orders are placed.³⁷

³⁶ SGAT, Appendix UNE ¶ 2.13.

³⁷ *Id.* Appendix UNE, ¶ 2.13.

Neither the SGAT nor any of the other interconnection agreements in Oklahoma provide this commitment.

X. CONCLUSION: RESERVATION OF FURTHER COMMENT

90. For all the reasons stated above, it is premature in our opinion to make any determination regarding whether SWBT is actually providing interconnection and access to unbundled network elements as required to satisfy the FTA competitive checklist. That determination should await some actual implementation of UNE purchasing, which can be expected in the reasonably near future. Even looking only at the written terms of SWBT's SGAT and its Oklahoma interconnection agreements, SWBT is not offering or providing the required interconnection or access to unbundled network elements.

91. The schedule for Commission review of SWBT's Section 271 application has provided only a limited opportunity to consider SWBT's Oklahoma agreements and its SGAT and to evaluate them against the competitive checklist. We believe that, with further review, it is likely we will identify further concerns regarding the quality of access to unbundled network elements that SWBT is offering or providing in Oklahoma.

VERIFICATION

STATE OF TEXAS)

COUNTY OF)

Dallas)

I, STEVEN E. TURNER, of lawful age, being first duly sworn, now state: that I am authorized to provide the foregoing statement on behalf of AT&T; that I have read the foregoing statement; and the information contained in the foregoing statement is true and correct to the best of my knowledge and belief.

Steven E. Turner
STEVEN E. TURNER
Kaleo Consulting

SUBSCRIBED AND SWORN TO BEFORE ME this 6ⁿ day of March,
1997.

Debbie Crawford
Notary Public

My Commission Expires:

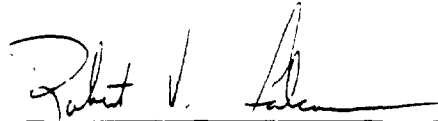


VERIFICATION

STATE OF NEW JERSEY)

COUNTY OF Somerset)

I, ROBERT V. FALCONE, of lawful age, being first duly sworn, now state: that I am authorized to provide the foregoing statement on behalf of AT&T; that I have read the foregoing statement; and the information contained in the foregoing statement is true and correct to the best of my knowledge and belief.

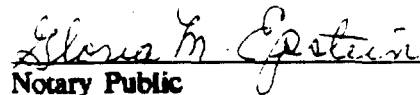


ROBERT V. FALCONE

AT&T

District Manager, Local Services Division

SUBSCRIBED AND SWORN TO BEFORE ME this 6th day of March,
1997.


Notary Public

My Appointment Expires:

November 10, 2001

GLORIA M. EPSTEIN
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES NOV 10, 2001

EXHIBIT RVF/SET-1
DEFINITION OF UNBUNDLED LOCAL SWITCHING

Under FCC Rules, the unbundled local switching network element must include all features, functions and capabilities of the switch, including:

- * basic switching connecting lines and trunks §51.319(c)(1)(i)(C)(1).
- * any capability available to incumbent LEC customers, including telephone number, white page listing and dial tone §51.319(c)(1)(i)(C)(1).
- * every feature the switch is capable of providing, including custom calling, CLASS functionality, and Centrex §51.319(c)(1)(i)(C)(2).
- * software-controlled systems which transfer end-users to a new exchange carrier in the same interval as the LEC transfers customers between interexchange carriers¹ §51.319(c)(1)(ii).
- * establishes the unbundled local switching purchaser as the provider of local exchange and exchange access service §51.307(c),² §51.309(a),³ and §51.309(b).⁴
- * use of the incumbent's signaling and call-related data base systems in the same manner at the LEC uses such systems themselves §51.319(e)(1)(ii) and §51.319(c)(2)(iii), and
- * access to the entrant's operator services by dialing "0" or "0 plus" the desired telephone number,⁵ with a similar obligation for access to directory services using the 411 and 555-1212 dialing patterns.⁶

The collective effect of these provisions is to define an unbundled local switching element that establishes the purchaser as its subscribers' local telephone company in every material respect.

¹ A software-controlled transfer would occur where the entrant purchases the preexisting loop/switch combination serving an end-user. In such an instance, it would not be necessary to physically reconfigure the end-user's loop to change its service provider.

² Obligates BellSouth to provide a network element in a manner that permits its purchaser to offer any service made possible by the element.

³ Prohibits BellSouth from imposing any restriction that would limit an entrant's ability to use an element to offer any service the entrant desires.

⁴ Specifies that an entrant may use an element to provide exchange access.

⁵ The FCC's Second Report and Order in Docket 96-98 reaches this finding by concluding:

1. that the "non-discriminatory access to operator services" required by Section 251(b)(3) of the Act means that a customer must be able to reach operator services by dialing "0" or "0 plus" (§ 112 and § 114),
2. that the customer should reach the operator services of the customer's chosen local service provider (§ 116), and
3. that the LEC is obligated to conform the factors within its control to assure that a competing provider's customers can, in fact, access these services (§ 114).

Consequently, when a competing provider offers services using a local switching element obtained from BellSouth, BellSouth must assure that end-users may reach the ULS-purchasers' operator services using the "0" and "0 plus" dialing patterns.

⁶ See Second Report and Order, CC Docket 96-98 (¶ 151), concluding that "... permitting non-discriminatory access to 411 and 555-1212 dialing arrangements is technically feasible, and there is no evidence in the record that these dialing arrangements will cease."

EXHIBIT RVF/SET-2

COLLOCATION: A SIGNIFICANT INVESTMENT DECISION

Collocation: A Significant Investment Decision

When Will Capital
be Put to Use??

Will The Space
be Available???



How Much
Will it Cost???

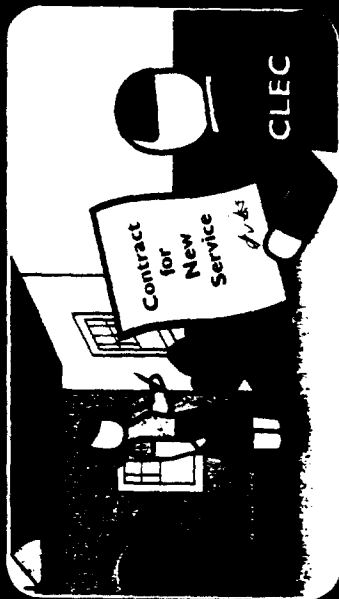
...That Should Not be Made in The Dark!

EXHIBIT RVF/SET-3

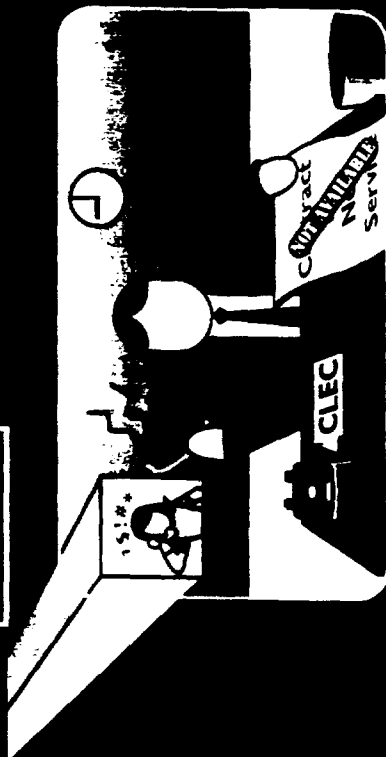
**RESTRICTED ACCESS TO UNBUNDLED LOOPS BEHIND
IDLC IS ANTICOMPETITIVE**

Restricted Access to Unbundled Loops Behind IDLC is Anticompetitive

CLEC Wins Customer



FRIDAY SATURDAY SUNDAY MONDAY TUESDAY WEDNESDAY THURSDAY



CLEC Cannot Provide
Service

